

9-17-91 Minutes

An adjourned meeting of the Council of the City of Bedford, Virginia, from the September 10, 1991, regular meeting, was held in the Council Hall of the Municipal Building at 5:50 p.m., September 17, 1991.

Members present: Mayor G. Michael Shelton; Councilman Larry D. Brookshier; Councilwoman Joanne A. Grahame; Councilman Payton M. Otey; Vice Mayor John M. Owen, III; Councilman Ronnie C. Rice; and Councilman James A. Vest.

Members absent: None.

Staff present: City Manager Jack A. Gross; City Attorney W. W. Berry, IV; and Clerk of the Council Teresa W. Hatcher.

Mayor Shelton opened the meeting and stated that the purpose of the meeting was for discussion of revenue situations of the City and future capital improvements; and a presentation regarding the City's electric rates in comparison to the wholesale charges by Appalachian Power Company (APCO).

Members of Council made comments concerning various topics.

Appreciation was expressed for the outstanding job the Police Department did during the recent strike at the Rubatex Corporation.

The first item discussed was the information and report provided by GDS Associates regarding the Appalachian Power Company wholesale power cost increase.

The City Manager stated that he had been concerned for some period of time about the return on the City's investment in the electric enterprise fund. He stated that with Council's approval, GDS Associates were asked to review that situation in relation to the latest wholesale rate increase to compare the newer WS-6 schedule with previous WS-5 schedule.

Mr. Steve Shurbutt, of GDS Associates, reviewed with Council the study performed by his company. Mr. Shurbutt reviewed the annual revenue impact of alternate millage adders.

The City Manager asked that Council give consideration to adding the 1.0 mill/kWh adder to the electric rates effective January 1, 1992.

Discussion ensued.

It was the consensus of Council that the City Manager present to Council a revised electric rate structure with the 1.0 mill/kWh adder at some meeting in the future.

The Mayor asked the City Manager to also bring to Council information on the rate of return.

Council took a five minute break from 6:55 p.m. until 7:00 p.m.

The next item considered by Council was funding for upgrading the City's solid waste landfill, which is necessary to meet stringent requirements dictated by the Department of Waste Management. It is estimated by the City's consultants, Thompson & Litton, Inc., that the City will need \$1,810,000 by December 1, 1994, to bring the landfill up to standards.

Mr. C. H. Broesamle, Director of Community Services, reviewed the plan for landfill expansion, which included implementing tipping fees as of January 1, 1992.

Discussion ensued.

Mayor Shelton asked that the Solid Waste Committee work with the City Manager and the Director of Community Services to report back to Council by the first meeting in November with a tipping fee schedule and a concept for the tipping fee arrangements. He asked that they also consider the purchase of a tub grinder for recyclable purposes at the landfill.

The final item considered by Council was the funding of the construction of a new library.

The City Manager stated that Ms. Nancy Donahoo, Library Director, has asked that Council allow the Library Board to go ahead with the planning part of the LSCA Grant in order to keep the momentum flowing by using part of remaining reserve funds to cover this cost (\$8,000). Mr. Gross stated that the projected cost for this library is \$2,185,800. Mr. Gross reviewed the following figures:

\$1,689,000 cost to the City; \$178,172 LSCA grant funds; \$318,628 to be raised by the Library.

Discussion ensued, which included discussion of the City's funding being limited to \$1,700,000. The Mayor is to notify the Library Board of the City's funding limit.

It was the consensus of Council to allow the Library Board to proceed with its fund raising process based on the City's funding of \$1,700,000 of bonded debt.

Council tentatively scheduled a joint meeting with the City School Board at the second Council meeting in October.

Mayor Shelton stated that possibly at the October 8 meeting, Council could discuss the library, taxes, tipping fees, and what type of revenue stream Council is going to have to consider.

Mayor Shelton adjourned the meeting at 8:10 p.m.